

ECONOMIC INTELLIGENCE COMMITTEE

D-R-A-F-T
Control No.
EIC-M-93
15 August 1961

Minutes of Meeting Held in
Room 1121, Temporary M Building
26th Street and Constitution Avenue, N. W.

15 August 1961, 1000 hours

PRESENT:

Dr. Otto E. Guthe, CIA, Chairman
William A. Smith, Office of the Secretary of Defense
John W. Easton, Joint Staff
Bennett V. S. Davis, Department of the Navy
Lt. Col. Robert Henderson, Department of the Air Force
Doris S. Whitnack, Department of State
Baxter Wood, Department of the Army
25X9A8 [REDACTED] National Security Agency
Dr. Outten J. Clinard, Department of the Air Force
Morris H. Crawford, Department of State
25X1A9a *Dr.* Edward R. Van Sant, Office of the Assistant Secretary of Defense
Jerome Forrest, International Cooperation Administration
25X1A9a [REDACTED] CIA
25X1A9a [REDACTED], CIA
25X1A9a [REDACTED], CIA
25X1A9a [REDACTED] CIA
[REDACTED] Executive Secretary

APPROVAL OF MINUTES:

1. The minutes of the EIC meetings of 6 July and 1 August
(EIC-M-91 and 92, respectively) were approved.

ANNOUNCEMENTS:

2. The Chairman mentioned that the study on The Strategic Impact
of the International Embargo Program on the Sino-Soviet Bloc, being pre-
pared by the Subcommittee on Economic Defense, is proceeding according
to schedule. It is anticipated that review of this report by the EIC will be
undertaken during the latter part of August so as to meet the requestor's

2. EIC-R18-S2, Vulnerability of the East German Economy to Western Countermeasures, will be disseminated shortly, as will the Survey Listing of Internal and External Economic Research Projects on the Sino-Soviet Bloc and on Selected Non-Bloc Areas (EIC-S-36).

EIC-R14-S11, "SINO-SOVIET BLOC ECONOMIC ACTIVITIES IN UNDER-DEVELOPED AREAS, 1 JANUARY - 30 JUNE 1961"

4. ~~XXXXXXXXXX~~ *The EIC reviewed page-by-page the draft report of the Working Group* After a section-by-section review of the Working Group draft was undertaken and a number of modifications and changes were suggested and accepted, *After EIC-R14-S11 was approved,* the EIC approved EIC-R14-S11. The Chairman mentioned that in the next edition every effort should be made to keep the coverage of the various recipient countries commensurate with their ^{relative} importance ~~in the field of investigation~~. On behalf of the EIC, the Chairman complimented the members of the Working Group for their efforts in producing ^{a superior and} ~~such a~~ timely report.

5. Mr. Forrest stated that ICA has had considerable inquiry regarding information on repayment of aid by the recipient countries, and suggested that more attention be given to this matter. After general Committee discussion, in which the point was made that not much information is available on the subject, the Chairman directed the Working Group to take cognizance of the matter and suggested that, ^{whenever data} ~~where feasible,~~ *will be available, an article might be prepared for one of the current publications.* ~~an item regarding the matter might appear in an issue of the Biweekly.~~

6. The Chairman suggested various ways in which the 1954 to present recapitulation table in the Statistical Appendix, summarizing Bloc credits and grants to individual underdeveloped countries, could be shortened. It was the consensus of the Committee that these tables are too valuable in their present form to be drastically changed and, after considerable discussion, the Chairman directed the Working Group to explore the feasibility of publishing these tables separately ^{a few weeks after the preparation of} ~~and at a different time than the~~

~~SECRET~~

ANNOUNCEMENTS

1. The study on The Strategic Impact of the International Embargo Program on the Sino-Soviet Bloc, being prepared by the Subcommittee on Economic Defense, is proceeding according to schedule. It is anticipated that review of this report by the EIC will be undertaken during the latter part of August so as to meet the requestor's target date of 1 September.

2. EIC-R18-S2, Vulnerability of the East German Economy to Western Countermeasures, will be disseminated sometime this week, as will the Survey Listing of Internal and External Economic Research Projects on the Sino-Soviet Bloc and on Selected Non-Bloc Areas.

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